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Item 147

PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991

Report of the Secretary-General

Request for final appropriations for the biennium 1990-1991 on an ex post facto basis

1. The purpose of the present report is to inform the General Assembly of the final expenditure outcome of the biennium 1990-1991 and to propose action regarding approval of a final appropriation for the biennium involving a net increase in respect of actual commitments entered into in excess of the amounts approved in appropriations resolution 46/184. Annex I to this report contains the details of the final expenditure outcome by section, which are summarized below:

(In thousands of United States dollars)

	Approved	Revised	Increase	Per cent
Expenditure	2 167 974.5	2 188 370.0	20 395.5	0.9
Income	400 656.2	409 080.5	8 424.3	2.1
Net requirements	1 767 318.3	1 779 289.5	11 971.2	0.7

2. It will be recalled that in presenting his final performance report for the biennium 1990-1991, the Secretary-General requested that the General Assembly increase the appropriations approved in resolution 45/242 by a net amount of $28,867,100. Acting on the recommendation of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), the Fifth Committee recommended to the Assembly a net increase of $15 million only and the following provision for the difference in paragraph 2 of resolution 46/184 C:

"In addition to the appropriations ... a net amount of up to 13,867,100 dollars may, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, be committed in respect of the regular budget for the biennium 1990-1991; the amount so committed shall be apportioned among Member States in accordance with the scale of assessments for the year 1992 ... On this basis the General Assembly will consider and approve final appropriations and estimates of income for the biennium 1990-1991 at the earliest opportunity in 1992 on an ex post facto basis."

3. In his report dated 24 March 1992 on the budget performance in respect of the financial period 1990-1991, the Secretary-General sought the concurrence of the Advisory Committee to enter into commitments in a net amount of $11,971,200. In his report to the Secretary-General, the Chairman of the Advisory Committee informed him that the Committee had noted that, included in the final expenditure outcome for the period, was an amount of some $55.8 million in unliquidated obligations. Under the circumstances, the Committee did not believe that an assessment was necessary at that time and, in order to assist the Committee to review the necessity for an additional appropriation, requested an updated report on the status of unliquidated obligations for the biennium 1990-1991 by December 1992. The report containing the status of unliquidated obligations as at 30 November for Headquarters and 31 October for offices away from Headquarters, is being submitted to the Committee at its current session.

4. Since the interim accounts for the first 12 months of the biennium 1992-1993 will not be closed until early in the year 1993, it is not yet possible to determine how much of the commitment authority granted to the Secretary-General by resolution 46/184 C will actually be needed under each individual section. On the other hand, while commitments in excess of the appropriation have been entered into in a net amount of $11,971,200, it is reasonable to expect that there will be global savings in the liquidation of obligations, which would normally be returned to Member States after the accounts for the current biennium have been closed and audited. Given the unusual circumstances in the biennium wherein final appropriations for the biennium have not yet been approved, the Secretary-General suggests that, as an exceptional measure, the revised appropriation for the biennium 1990-1991 reflect a reduction in respect of anticipated unliquidated obligations in an amount of $3 million, to be allocated between sections at his discretion. This would leave a net amount of $8,971,200 to be appropriated and assessed upon Member States in 1993.

5. Within the amount of $8,971,200, there are several items, totalling to $1.5 million, which represent instances where it is already known that delivery of goods or services under the terms of the contracts will not be made before year-end. Notwithstanding the difference in timing between the expiration of unliquidated obligations and the delivery by vendors, the legal commitments and the related financial liabilities remain. In this regard, the Assembly is requested to approve on an exceptional basis an extension of the period stipulated in financial regulation 4.3 from 31 December 1992 to 31 December 1993 solely for the items listed in annex II.

Action requested of the General Assembly at its forty-seventh session

6. As a result of the foregoing considerations, the following action by the General Assembly at its current session is proposed:

(a) Approving an increase in the appropriation authorized in resolution 46/184 A for the biennium 1990-1991 in the amount of $20,395,500 under the sections of expenditure;

(b) Deciding to assess Member States in 1993 for the amount of the increase, offset by the following:

(i) Reduction to be allocated at the discretion of the Secretary-General in respect of savings for unliquidated obligations ($3,000,000);

(ii) A provision ($8,424,300) corresponding to the increase in the amount of the revised estimates of income under income sections 2 and 3 ($1,782,000) and, in accordance with the provisions of General Assembly resolution 973 (X), the respective shares of Member States in the Tax Equalization Fund consisting of the increase ($6,642,300) under income section 1, income from staff assessment;

(c) Extending on an exceptional basis the period stipulated in financial regulation 4.3 from 31 December 1992 to 31 December 1993 in respect of unliquidated obligations from the 1990-1991 biennium in the amount of $1,500,000.

Annex I

BUDGET CLOSING:
COMPARISON BETWEEN FINAL EXPENDITURE AND VOTED APPROPRIATION

(In thousands of United States dollars)

A. Expenditure by part and section	Voted appropriation General Assembly resolution 46/184	Disbursements	Unliquidated obligations	Total expenditure	Increase or (decrease) over voted appropriation Amount	Per cent
PART I. Overall policy-making, direction and coordination						
1. Overall policy-making, direction and coordination	78 582.3	72 686.3	4 499.4	77 185.7	(1 396.6)	(1.8)
Total part I	78 582.3	72 686.3	4 499.4	77 185.7	(1 396.6)	
PART II. Political and Security Council affairs; peace-keeping activities						
2A. Political and Security Council affairs; peace-keeping activities	96 066.5	96 765.1	2 157.2	98 922.3	2 855.8	3.0
2B. Disarmament affairs activities	11 957.5	11 996.3	303.4	12 299.7	342.2	2.9
2C. Office for Ocean Affairs and the Law of the Sea	7 686.9	7 488.9	126.3	7 615.2	(71.7)	(0.9)
Total part II	115 710.9	116 250.3	2 586.9	118 837.2	3 126.3	

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A. Expenditure by part and section	Voted appropriation General Assembly resolution 46/184	Disbursements	Unliquidated obligations	Total expenditure	Increase or (decrease) over voted appropriation Amount	Per cent
PART III. Political affairs, trusteeship and decolonization						
3. Political affairs, trusteeship and decolonization	23 221.4	22 876.4	413.4	23 289.8	68.4	0.3
Total part III	23 221.4	22 876.4	413.4	23 289.8	68.4	
PART IV. Economic, social and humanitarian activities						
4. Policy-making organs (economic and social activities)	8 985.3	8 540.1	542.0	9 082.1	96.8	1.1
5A. Office of the Director-General for Development and International Economic Cooperation	5 077.1	5 241.6	50.6	5 292.2	215.1	4.2
5B. Regional Commissions New York Office	943.1	978.2	3.3	981.5	38.4	4.1
6. Department of International Economic and Social Affairs	47 628.7	47 706.3	479.6	48 185.9	557.2	1.2
7. Department of Technical Cooperation for Development	25 308.6	25 649.8	94.2	25 744.0	435.4	1.7
8. Activities on global social development issues	11 778.0	11 757.8	177.1	11 934.9	156.9	1.3
9. Transnational corporations	12 050.7	12 015.5	326.5	12 342.0	291.3	2.4
10. Economic Commission for Europe	37 429.9	37 795.4	379.3	38 174.7	744.8	2.0

A. Expenditure by part and section	Voted appropriation General Assembly resolution 46/184	Disbursements	Unliquidated obligations	Total expenditure	Increase or (decrease) over voted appropriation Amount	Per cent
11. Economic and Social Commission for Asia and the Pacific	42 471.5	42 397.6	796.0	43 193.6	722.1	1.7
12. Economic Commission for Latin America and the Caribbean	54 655.8	53 821.1	1 242.0	55 063.1	407.3	0.7
13. Economic Commission for Africa	60 468.0	61 367.3	1 871.2	63 238.5	2 770.5	4.6
14. Economic and Social Commission for Western Asia	45 139.6	43 156.4	3 432.1	46 588.5	1 448.9	3.2
15. United Nations Conference on Trade and Development	84 343.5	82 769.5	1 250.7	84 020.2	(323.3)	(0.4)
16. International Trade Centre	15 837.6	15 914.8	0.0	15 914.8	77.2	0.5
17. Centre for Science and Technology for Development	4 310.1	4 229.4	94.9	4 324.3	14.2	0.3
18. United Nations Environment Programme	11 787.2	10 727.3	519.6	11 246.9	(540.3)	(4.6)
19. United Nations Centre for Human Settlements (Habitat)	10 351.1	10 294.6	140.4	10 435.0	83.9	0.8
20. International drug control	9 994.0	9 749.1	265.8	10 014.9	20.9	0.2
21. Office of the United Nations High Commissioner for Refugees	39 665.7	40 116.1	76.4	40 192.5	526.8	1.3
22. Office of the United Nations Disaster Relief Coordinator	7 425.4	7 271.0	154.3	7 425.3	(0.1)	0.0

A. Expenditure by part and section	Voted appropriation General Assembly resolution 46/184	Disbursements	Unliquidated obligations	Total expenditure	Increase or (decrease) over voted appropriation Amount	Per cent
23. Human rights	19 739.5	19 722.0	255.1	19 977.1	237.6	1.2
24. Regular programme of technical cooperation	36 832.7	31 670.7	3 421.8	35 092.5	(1 740.2)	(4.7)
Total part IV	592 223.1	582 891.6	15 572.9	598 464.5	6 241.4	
PART V. International justice and law						
25. International Court of Justice	16 249.3	16 748.7	250.5	16 999.2	749.9	4.6
26. Legal activities	19 056.3	17 836.0	1 056.5	18 892.5	(163.8)	(0.9)
Total part V	35 305.6	34 584.7	1 307.0	35 891.7	586.1	
PART VI. Public information						
27. Public information	92 604.8	92 011.4	1 881.4	93 892.8	1 288.0	1.4
Total part VI	92 604.8	92 011.4	1 881.4	93 892.8	1 288.0	

A. Expenditure by part and section	Voted appropriation General Assembly resolution 46/184	Disbursements	Unliquidated obligations	Total expenditure	Increase or (decrease) over voted appropriation Amount	Per cent
PART VII. Common support services						
28. Administration and Management	438 710.3	423 831.1	13 659.5	437 490.6	(1 219.7)	(0.3)
29. Conference and library services	388 366.0	391 509.4	3 857.4	395 366.8	7 000.8	1.8
Total part VII	827 076.3	815 340.5	17 516.9	832 857.4	5 781.1	
PART IX. Staff assessment						
31. Staff assessment	330 437.9	336 464.5	0.0	336 464.5	6 026.6	1.8
Total part IX	330 437.9	336 464.5	0.0	336 464.5	6 026.6	
PART X. Capital expenditures						
32. Construction, alteration, improvement and major maintenance of premises	72 812.2	59 451.1	12 035.3	71 486.4	(1 325.8)	(1.8)
Total part X	72 812.2	59 451.1	12 035.3	71 486.4	(1 325.8)	
GRAND TOTAL	2 167 974.5	2 132 556.8	55 813.2	2 188 370.0	20 395.5	

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B. Income estimates by part and section	Final income estimates General Assembly resolution 46/184	Final estimate this report	Surplus (shortfall) Amount	Surplus (shortfall) Per cent
PART I. Income from staff assessment				
1. Income from staff assessment	335 174.6	341 816.9	6 642.3	2.0
Total part I	335 174.6	341 816.9	6 642.3	
PART II. Other income				
2. General income	55 442.4	57 095.8	1 653.4	3.0
3. Revenue-producing activities	10 039.2 a/	10 167.8 b/	128.6	1.3
Total part II	65 481.6	67 263.6	1 782.0	2.7
GRAND TOTAL	400 656.2	409 080.5	8 424.3	

B. Income estimates by part and section	Final income estimates General Assembly resolution 46/184	Final estimate this report	Surplus (shortfall) Amount	Surplus (shortfall) Per cent
Net appropriation for the biennium 1990-1991				
Expenditures	2 167 974.5	2 188 370.0	20 395.5	0.9
Income	400 656.2	409 080.5	8 424.3	2.1
Net requirements	1 767 318.3	1 779 289.5	11 971.2	0.7

a/ Estimates of net income after proposed provision ($3,100,000) for the first phase of the First Basement Concourse renovation project.

b/ Actual income without provision for first phase of the First Basement Concourse renovation project.

Annex II

OFFICE OF GENERAL SERVICES

DETAILS OF REMAINING 1990-1991 OBLIGATIONS
WHICH WILL BE LIQUIDATED IN 1993

1. Incotel, P.O. 1-20-04251 UNA-28828-443 $565,930

This purchase order was raised for purchase of a store and forward facsimile switch at Headquarters. As the details of the contract with the vendor were being formulated in 1991, it became evident that the actual specifications of the equipment to be purchased may have to be modified at a later date. Improvements in the software to be delivered by the vendor were also considered. Various contractual difficulties on such issues as the performance bond and the payment schedule caused protracted negotiations between the vendor, the Office of Legal Affairs, the Electronic Services Division and the Commercial Purchase and Transportation Service. With the finalization of the contract and the site survey completed in November 1992, approval of procedures for acceptance testing are scheduled for January 1993. Hardware and software integration will be completed by the end of the first quarter. Accordingly, payments will be made to the vendor in stages through the first half of 1993.

2. AIT, P.O. 1-20-04461 UNA-28875-512 $51,075
UNA-28875-620 $77,975

This purchase order was initially issued covering the cost of Imaging Machine-Readable United Nations travel documents - Laissez-Passer System to be installed in New York, Geneva and Vienna in accordance with terms of a contract that was formulated in 1991. However, due to subsequent contractual difficulties of a legal nature, the implementation of the project has been significantly delayed. It is now expected that the delivery would be completed by the end of 1993.

3. Edwards & Hjort. P.O. 1-20-00977 UNA-32921-721 $35,000

This purchase order issued in March 1991 provides for engineering services to complete in all respects the design, preparation of construction documents, inspection and testing services for the demolition and replacement of certain areas of the 2nd Basement Garage of the United Nations. This is a multi-year project undertaken in the prior biennium. Out of the prior year obligation of $106,500, an amount of $71,500 has already been disbursed in 1992. The balance of the funds would be utilized upon completion of the project in 1993.

4. Westinghouse P.O. 1-20-04087 UNA-32921-721 $519,139

This purchase order was raised in 1991 in connection with the United Nations Security Card Access project. In accordance with the outcome of the latest negotiations, it has been decided that the Garage Administration segment of the project will be deleted, resulting in the need to surrender funds amounting to $250,000. Out of the original obligation of $1,188,764 and taking into account the reduction of $250,000, it is expected that an amount of $419,625 would have been disbursed by the end of 1992. It will be necessary to retain the balance of the funds in the amount of $519,139 to provide for the payments to be made in 1993.

5. MOD 1-29-14975 UNA-32921-721 $113,703

This obligation was raised to carry out the reconfiguration of the space occupied by Medical Service. Almost 90 per cent of the work has already been completed, with the balance scheduled for 1993. Since the proposed contract with the vendor was approved by the Committee on Contracts in December 1991, an obligation was accordingly raised. Out of the original of $563,703, disbursement totalling $450,000 would have been made by December 1992, resulting in the need to retain the balance of approximately $114,000 for payments in 1993.

6. Syska & Hennessy P.O. 9-20-12747 UNA-32921-721 $55,500

This obligation relates to a multi-year project for upgrading and replacement of the electrical switch gear equipment throughout the United Nations complex. This is a long term project expected to run from 1989 through 1993 and as such, modifications to the basic plan have contributed to the delay in the completion of the project. Out of the original obligation of $239,500, an amount of $184,000 has already been disbursed in 1992, leaving a balance of $55,500.

7. Cornelius Fitzgerald P.O. 9-20-81422 UNA-32921-721 $58,728

This purchase order is for the installation of short-circuit protection on all existing electric switchboard rooms at the United Nations Headquarters. This multi-year project was initiated in the 1988-1989 biennium and is scheduled for completion in 1993.

Total $1,477,050